



Statement of Actuarial Opinion

STATEMENT OF ACTUARIAL OPINION FOR HEALTHMARKETS INSURANCE COMPANY

December 31, 2008

I, Thomas J. Stoiber, am Vice President and Actuary of Healthmarkets Company and a member of the American Academy of Actuaries. I was appointed by the Board of Directors of said insurer in a Board resolution dated February 6, 2009 and subsequent letter to the Commissioner. I meet the Academy qualification standards for rendering the opinion and am familiar with the valuation requirements applicable to life and health insurance companies.

There are no actuarial assumptions or actuarial methods that otherwise would be used in determining policy reserves and related actuarial items in which to examine. There are no reserves reported in the annual statement of the company, as prepared for filing with the regulatory officials as of December 31, 2008. Tabulated below are the otherwise relevant lines of those reserves and related actuarial items which would have been subjected to asset adequacy analysis. As of December 31, 2008 there are no policies in force in the Company.

| <u>Reserves and Liabilities</u> | | | | | |
|---------------------------------|----------------------------|-------------------------------|-----------------------------|------------------------|--------------------------------|
| Statement Item | Formula Reserves (1) | Additional Reserves (2) | Asset Analysis Method | Other Amount (3) | Total Amount (1)+(2)+(3) |
| Exhibit 5 | | | | | |
| Total Exhibit 5 (Item 1, p. 3) | \$ 0 | 0 | | 0 | \$ 0 |
| | | | | | |
| Exhibit 6 | | | | | |
| Total Exhibit 6 (Item 2, p. 3) | 0 | 0 | | 0 | 0 |
| | | | | | |
| Exhibit 7 (Item 3, p. 3) | 0 | 0 | | 0 | 0 |
| | | | | | |
| Exhibit 8 (Item 4, p. 3) | 0 | 0 | | 0 | 0 |
| | | | | | |
| TOTAL RESERVES | \$ 0 | 0 | | 0 | \$ 0 |

There is no opinion I can give because there are no policies in force in order for me to state that the reserves and related actuarial values concerning the statement items above:

- Are computed in accordance with presently accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- Are based on actuarial assumptions which produce reserves at least as great as those called for in any contract provision as to reserve basis and method, and are in accordance with all

other contract provisions;

- c) Meet the requirements of the insurance law and regulation of the state of Oklahoma and are at least as great as the minimum aggregate amounts required by the state in which the statement is filed;
- d) Are computed on the basis of assumptions consistent with those used in computing the corresponding items in the annual statement of the preceding year-end (other than described in the preceding paragraph as it relates to the 2008 reinsurance arrangement); and
- e) Include provision for all actuarial reserves and related statement items which ought to be established.

The company carries assets that are typical in nature to those of a life and health insurance company, but since there are no policies in force and therefore no policy obligations, the investment earnings of such assets do not currently, nor are necessary to, make adequate provision, according to presently accepted actuarial standards of practice, for the anticipated cash flows required by the contractual obligations and related expenses of the company.

Since no opinion can be made, I am not making a judgment as to the degree actuarial methods, considerations and analyses used in forming an opinion conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board, which standards form the basis of this statement of opinion; however, this no-opinion statement is consistent with the intent of such Standards of Practice in light of the fact this company has no policies in force.

This opinion is updated annually as required by statute. To the best of my knowledge, there have been no material changes from the applicable date of the annual statement to the date of the rendering of this opinion which should be considered in reviewing this opinion.

The impact of unanticipated events subsequent to the date of this opinion is beyond the scope of this opinion. The analysis of asset adequacy portion of this opinion should be viewed recognizing that the company's future experience may not follow all the assumptions used in the analysis.



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Date: February 25, 2009